

DEPARTMENT OF HEALTH SERVICES

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August 28, 1996

TO: All County Welfare Directors
All County Administrative Officers
All County Medi-Cal Program Specialists/Liaisons

Letter No.: 96-49

MEDI-CAL ELIGIBILITY FOR SERIOUSLY EMOTIONALLY DISTURBED (SED) CHILDREN

The purpose of this letter is to provide clarification regarding Medi-Cal eligibility determination for SED children who are placed out-of-the home pursuant to **Assembly Bills (AB) 3632 and 882**.

Although there are many children who meet the Welfare and Institutions (W & I) Code definition of SED, this letter addresses questions regarding those children who have been assessed by an Individualized Education Program (IEP) team, and have been determined to have special educational and psychological needs. When local educational program options cannot implement the IEP, it may be determined that the pupil's needs can best be met by out-of-home placement. No court action is taken as in the case of children placed in foster care. Care, custody, and control of the child remain with the parent. SED is considered a special circumstance with temporary absence from the home. **The child is still considered to be "living in the home" as defined by Title 22, California Code of Regulations (CCR), Section 50071 for purposes of Medi-Cal eligibility determination. Even though the child may be placed in another county, the county of residence remains where the parent(s) of the SED child reside.**

Most of the inquiries received by the Medi-Cal Eligibility Branch have focused on financial responsibility: whether the parents' resources and income must be considered in determining Medi-Cal eligibility for the SED child; proper application procedure; and appropriate aid code designation.

Following are some of the most frequently asked questions:

Question 1: Who is financially responsible for a SED child?

Answer 1: Specific agencies are assigned financial responsibility to provide services for SED children who are placed in out-of-home care pursuant to an IEP. The following agencies are responsible for funding the needs of SED children as delineated in **Title 2, CCR, Article 4, Section 60200:**

- o The **local mental health program** is financially responsible for providing mental health services as recommended by both the local mental health program representative and the IEP evaluation; and for reimbursement to the provider for those mental health services.

- o The **local education agency** shall be fiscally responsible for transportation during school hours to and from mental health centers and for items agreed upon in the non-public school services contract, excluding mental health services and 24 hour out-of-home care; and for mental health services when placement is in a non-public school outside California.
- o The **State Department of Social Services** shall be responsible for determining the rate to be paid to providers for 24 hour out-of-home placement in accordance with **W&I Code Section 18350**; and issuing payment to those providers in accordance with **W&I Code Section 18351**.

Question 2: Are the parents' resources considered in determining Medi-Cal eligibility and share of cost (SOC)?

Answer 2: Yes. Eligibility for Medi-Cal is to be determined through the standard application process. The SED child is considered to be "living in the home." Therefore, the parents' income and resources must be considered when determining Medi-Cal eligibility and SOC. However, the payments made on behalf of SED children for out-of-home care are exempt pursuant to **CCR Section 50528**.

Question 3: Is there any situation in which the parents' income and resources would not be considered when determining Medi-Cal eligibility for a SED child?

Answer 3: Yes. The parents' income and resources are not considered when determining eligibility if the parent has given up legal custody of the child.

Question 4: Who may apply for Medi-Cal for SED children?

Answer 4: Only a parent may apply for the Medi-Cal for the SED child. SED children remain in the legal custody of their parents; therefore, if the parent desires Medi-Cal for the child, the parent must apply.

Question 5: What is the proper Medi-Cal application form and procedure?

Answer 5: Parents who wish to receive Medi-Cal for their SED children must apply at the county welfare office by submitting an application for Medi-Cal using the standard application forms, SAWS 1 and MC 210. Eligibility is determined through the standard process (**Title 22, CCR, Article 4**).

Question 6: Is the MC 250, (Application and Statement of Facts for Child Not Living with a Parent or Relative and for Whom a Public Agency is Assuming Some Financial Responsibility) an acceptable application form for SED children?

Answer 6: No. The MC-250 is not the correct Statement of Facts for SED children. Counties are reminded that SED children are considered to be living at home. If the current Statement of Facts on file is the MC 250, the parent(s) must complete an MC 210, Statement of Facts, at the Medi-Cal redetermination.

Question 7: What is the correct Medi-Cal aid code for SED children?

Answer 7: SED children who are receiving Medi-Cal may have one of several Medi-Cal aid codes. Most SED children are eligible under the Medically Indigent program with Aid Codes 82 or 83, but may also be covered under other aid codes as are appropriate for the individual situation.

Question 8: Is Aid Code 45 appropriate for SED children?

Answer 8: No. Aid Code 45 is not an appropriate aid code for SED children. Aid Code 45 is for children not living with a parent. SED children are considered to be "living in the home" (CCR Section 50071, ACWDL 96-10).

Question 9: Are mental health services for SED children covered under the Medi-Cal Minor Consent Program?

Answer 9: No. The intent of the Minor Consent Program is to provide certain sensitive services to minors when there is a need for confidentiality. These services are, at least initially, provided without the knowledge or consent of the minor's parent(s).

In contrast, parents of SED children are actively involved in planning and decision-making regarding their child's education and care. Minor consent services are described in **CCR Section 50063.5**, and in the **Medi-Cal Eligibility Procedures Manual, 4V**.

We hope this information serves to clarify the most often asked questions regarding SED children. Please direct any further questions you may have to:

- o Lee Ann Kelly, Department of Social Services, at (916) 327-8959 regarding payment for out-of-home care;

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- o Elementary and Specialized Services Unit, Department of Education, at (916) 445-4699 for educationally related services; or
- o Judy Hamilton, Department of Health Services, at (916) 657-3184 for Medi-Cal eligibility.
- o Scott Berenson, Department of Mental Health, at (916) 654-2988 regarding mental health services.

This ACWDL will be followed by regulations incorporating SED information into Title 22, CCR, Article 4.

Sincerely,

ORIGINAL SIGNED BY

FRANK S. MARTUCCI, CHIEF
Medi-Cal Eligibility Branch